



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/917,447	07/27/2001	Scott Fergusson	1137.1102101	9699
28075 7590 09/21/2007 CROMPTON, SEAGER & TUFTE, LLC 1221 NICOLLET AVENUE SUITE 800 MINNEAPOLIS, MN 55403-2420			EXAMINER JEANTY, ROMAIN	
			ART UNIT 3623	PAPER NUMBER
			MAIL DATE 09/21/2007	DELIVERY MODE PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b>		<b>Applicant(s)</b>	
	09/917,447		FERGUSON ET AL.	
	<b>Examiner</b>		<b>Art Unit</b>	
	Romain Jeanty		3623	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 18 May 2007.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-27 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-27 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

Art Unit: 3623

**Detailed Action**

**Response to Arguments**

1. In view of the Pre-appeal brief filed on May 18, 2007, PROSECUTION IS HEREBY REOPENED. New grounds of rejection are set forth below.

To avoid abandonment of the application, appellant must exercise one of the following two options:

- (a) file a reply under 37 CFR 1.111 (if this Office action is non-final) or a reply under 37 CFR 1.113 (if this Office action is final); or,
- (b) request reinstatement of the appeal.

If reinstatement of the pre-appeal is requested, such request must be accompanied by a supplemental appeal brief, but no new amendments, affidavits (37 CFR 1.130, 1.131 or 1.132) or other evidence are permitted. See 37 CFR 1.193(b)(2).

**Claim Rejections - 35 USC § 102**

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Art Unit: 3623

3. Claims 14, 16-18, 20-21 and 27 are rejected under 35 U.S.C. 103(a) as being anticipated by Lafore et al "Lafore" (US 2002/0032640).

Regarding claim 14 and 27, Lafore discloses identifying one or more unacceptable activities (Paragraphs 0012 and 0015), defining one or more unacceptable activity parameters for detecting the one or more unacceptable activities when the report is run against the database, determining which of the unacceptable activity parameters can be changed by the supervisor, resulting in one or more changeable activity parameters (Paragraphs 0013 and 0102), and generating the report, the report including the one or more unacceptable activity parameters including one or more of the changeable activity parameters (Paragraph 0016).

Regarding claim 16, Lafore further discloses wherein the business is a financial services firm, and the representatives are brokers (Paragraph 0090).

Regarding claim 17, Lafore further discloses wherein the database includes account data for a number of customers of the financial services firm, the account data including the date of birth of the customers (Paragraphs 0098 and 0145).

Regarding claim 18, Lafore further discloses wherein one of the activities recorded by each representative is each trade made by the representative on behalf of a customer (Paragraph 0145).

Regarding claim 20, further discloses wherein the unacceptable activity parameters include a date of birth and a number of trades (Paragraph 0098).

Regarding claim 21, Lafore further discloses wherein both the date of birth parameter and the number of trades parameter can be changed by the supervisor (Paragraph 0098, 0103 and

Art Unit: 3623

0107).

### **Claim Rejections - 35 USC § 103**

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-2, 4-13, 15, 19, 22-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Lafore et al "Lafore" (US 2002/0032640) in view of Dialog (Penny Stock Disclosure Rules)

Regarding claims 1, 4-6, 13, 15, 22, and 24-26 Lafore discloses providing a database, each of the number of representatives recording his/her activities in the database (Paragraphs 0012 and 0015), providing a number of reports, each report defining a number of unacceptable activity parameters, running the number of reports against the database (i.e., suspicious activity of the representative, Paragraphs 0013 and 0102), each report checking the recorded activities of each representative against the number of unacceptable activity parameters defined in the report (Paragraph 0016).

Lafore teaches all of the limitations above but fails to teach providing a listing of alerts for only those activities in the database that fall within the unacceptable activity parameters. Dialog in the same field of endeavor, a system that alerts brokers/investors of illegal activities in stock trading on behalf on customers. Note pages 23, 45, 54-55 and 79 of Dialog. It would have been obvious to a person of ordinary skill in the art at the time of the applicant's invention to modify the disclosures of Lafore to include the teachings of Dialog so that traders/brokers

Art Unit: 3623

effecting transactions for customers in designated securities make a documented determination that the transactions are suitable for those customers.

Regarding claim 2, Lafore further discloses wherein the number of unacceptable activity parameters can be changed by a user or representative charged with the supervision of the activities of the number of representatives (Paragraph 0103 and 0107).

Regarding claim 7, Lafore further discloses performing follow up activity for selected alerts and recording the follow up activity for the selected alerts in the database (Paragraph 0113).

Regarding claim 8, the combination of Lafore and Dialog fails to explicitly teach assembling a listing of alerts that were generated during a predetermined previous time period. However, collecting or assembling a listing of alerts or warnings during a predetermined previous time period is old and well known in the art in order to track the activity of representatives or traders. It would have been obvious to a person of ordinary skill in the art to include this teaching in the system of Lafore and Dialog in order to effectively track the activities of the representatives or brokers.

Regarding claim 9, the combination of Lafore and Dialog fails to explicitly teach identifying selected alerts using a search function. However using a search function to identify alerts or warnings or any other information is old and well known in the art in order to inquire information about a representatives or traders. It would have been obvious to a person of ordinary skill in the art to include this teaching into Lafore and Dialog in order to inquire related activities information about representatives or traders.

Art Unit: 3623

Regarding claim 10, Lafore further discloses providing compliance related materials to a user (i.e., sending compliance message to the representative, Paragraph 0113).

Regarding claims 11 and 12, the combination of Lafore and Dialog fails to explicitly disclose recording when the user views or access the compliance related materials. It is old and well known in the art to keep track or recording a user or representative/trader views or access compliance data in order to keep track when the user or representative read the material. It would have been obvious to a person of ordinary skill in the art to incorporate this well-known teaching into the disclosures of Lafore and Dialog in order to keep track of when a representative or broker receives the material.

Regarding claim 19, Lafore and Dialog fail to explicitly teach wherein one of the unacceptable activities is too much trading by older customers. However, it is old and well known in the art financial industry for older customers perform too much trading in order to monitor the trading limit of the customers. It would have been obvious to a person of ordinary skill in the art to modify the disclosures of Lafore and Dialog to include wherein one of the unacceptable activities is too much trading by older customers in order to monitor the trading limit of the older customers.

Regarding claim 23, Lafore and Dialog fail to explicitly disclose wherein one of the unacceptable activities is having a margin balance that is too large relative to a customer's equity value. Incorporating this feature in Lafore would have been obvious to a person of ordinary skill in the art as it old and well known in the art to do so in order to determine whether the trader has sufficient equity capital in his account by comparing the computed a value and a trader's equity in accordance with exchange's margin rules. Regarding claims 24, 25, the combination of Lafore

Art Unit: 3623

and Dialog fails to explicitly disclose wherein one of the unacceptable activities is having too many Annuity 1035 Exchange transactions over a specified period of time and trade activity in discretionary accounts. However, it is old and well known in the trading art that unacceptable activities having too many Annuity 1035 Exchange and discretionary accounts be monitored in order to track excessive trading by traders. It would have been obvious to a person of ordinary skill in the art to incorporate this well known teaching into Lafore and Dialog in order track excessive trading.

6. Claim 3 is rejected under 35 U.S.C. 103(a) as being unpatentable over Lafore et al (US 20020032640) in view of Dialog, Jr. et al "Dialog and further in view of Yong et al (US Patent No. 5,749,079).

As per claim 3, the combination of Lafore and Dialog teaches all of the limitations above, but fails to explicitly disclose a batch mode during off peak hours. However, Yong teaches allowing queries to be processed in batch mode during off-peak hours whenever there is excessive load on the database system during peak hours. It would have been obvious to a person of ordinary skill in the art the time of the applicant's invention to modify the teachings of Lafore and Dialog to include the teachings of Yong et al with the motivation to reduce excessive load on the database system during peak hours.

### **Conclusion**

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

a. Thompson (US 20020026404) discloses a method to analyze market data and develop trade information, which reduces risks for investors.




Art Unit: 3623

b. Rose et al (Management or Mismanagement?), discloses for monitoring brokers' activities and sending warnings to the brokers when too much trade is performed and when high risks transactions are taken place. Note pages 63-67 of Rose et al.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Romain Jeanty whose telephone number is (571) 272-6732. The examiner can normally be reached on Mon-Thurs 7:30 am to 6:00 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq R. Hafiz can be reached on (571) 272-6729. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

  
Romain Jeanty  
Primary Examiner  
Art Unit 3623  
September 4, 2007